

At Essex home, Welch hails program for helping middle class families and creating jobs

At the Essex home of Lindsey and Matt Wignall, Rep. Peter Welch on Tuesday called for a year-long extension of a tax credit that allowed the Wignalls and hundreds of thousands of other middle class families to buy their first home.

Welch outlined his support for the First-time Homebuyer Credit Extension Act (H.R. 1993), which would extend a popular and successful program that provides an \$8,000 tax credit to families buying their first home. The program has been credited with stabilizing the housing market, creating construction jobs and helping countless families achieve homeownership.

Welch called for the extension alongside the Wignall family and Dustin Partlow and Sierra Ouellette – a Burlington couple hoping to take advantage of the credit before it expires November 30. Like families across the country, Partlow and Ouellette are worried they will be unable to afford a new home without the credit.

“In this time of economic uncertainty, the First-time Homebuyer Tax Credit has given countless Vermont families support to achieve the dream of homeownership. This tremendously successful program has provided middle class families a much-needed boost while creating construction jobs and boosting the broader economy,” Welch said. “Extending it will ease the uncertainty facing families in the midst of buying a home, and it will help ward off an untimely slump in the housing market.”

The First-time Homebuyer Tax Credit – created in July 2008 with the passage of the Housing and Economic Recovery Act – originally capped the credit at \$7,500 and required it to be paid back in 15 years. With the passage of the American Recovery and Reinvestment Act in February 2009, the credit was increased to \$8,000 and the repayment requirement was waived.

H.R. 1993 would extend the credit from November 30, 2009 through December 30, 2010. The bill would also retroactively waive the repayment requirement for those who took advantage of the credit in 2008.

According to the Internal Revenue Service, 1.4 million Americans have made use of the credit. Mark Zandy, chief economist for Moody's Economy.com, said roughly 375,000 of those home purchases would not have taken place without the tax credit.

At Tuesday's event in Essex, a homebuilder, a real estate professional and a banking official discussed the effect the credit has had on creating jobs, restoring the housing market and stimulating the economy. Chris Snyder, executive vice president of Snyder Homes, Leslee McKenzie, president and owner of Hickock and Boardman Real Estate, and Chris D'Elia, President of the Vermont Bankers Association, all spoke in support of extending the tax credit.